

108TH CONGRESS
1ST SESSION

S. 1520

To amend the National Security Act of 1947 to reorganize and improve the leadership of the intelligence community of the United States, to provide for the enhancement of the counterterrorism activities of the United States Government, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 31 (legislative day, JULY 21), 2003

Mr. GRAHAM of Florida (for himself, Mrs. FEINSTEIN, and Mr. ROCKEFELLER) introduced the following bill; which was read twice and referred to the Select Committee on Intelligence

A BILL

To amend the National Security Act of 1947 to reorganize and improve the leadership of the intelligence community of the United States, to provide for the enhancement of the counterterrorism activities of the United States Government, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the “9–
5 11 Memorial Intelligence Reform Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Reorganization and improvement of management of intelligence community under Director of National Intelligence.
- Sec. 3. Priorities on intelligence and counterterrorism activities for the intelligence community.
- Sec. 4. Comprehensive strategy on combatting terrorism.
- Sec. 5. Inclusion of National Intelligence Officer for Terrorism on National Intelligence Council.
- Sec. 6. Enhancement of counterterrorism capabilities of the Federal Bureau of Investigation.
- Sec. 7. Reform of domestic intelligence programs and activities.
- Sec. 8. Enhancement of utilization of foreign intelligence surveillance authorities by the intelligence community.
- Sec. 9. Plan on enhancement of signals intelligence.
- Sec. 10. Personnel initiatives for the intelligence community.
- Sec. 11. Budgeting and funding of intelligence and counterterrorism activities.
- Sec. 12. Report on revisions to bilateral and multilateral agreements to strengthen counterterrorism efforts.
- Sec. 13. Study and recommendations on improvement of congressional oversight of the intelligence community.
- Sec. 14. Treatment and classification of intelligence information.
- Sec. 15. Enhancement of accountability of the intelligence community for the performance of intelligence activities.
- Sec. 16. Elimination or reduction in barriers to collection and sharing of intelligence for counterterrorism purposes.
- Sec. 17. National Terrorist Watchlist Center.
- Sec. 18. Enhancement of efforts to identify support or involvement of foreign governments in terrorist activities.

1 SEC. 2. REORGANIZATION AND IMPROVEMENT OF MANAGE-
2 MENT OF INTELLIGENCE COMMUNITY UNDER
3 DIRECTOR OF NATIONAL INTELLIGENCE.

4 (a) REORGANIZATION AND IMPROVEMENT OF MAN-
5 AGEMENT OF INTELLIGENCE COMMUNITY.—

6 (1) IN GENERAL.—Title I of the National Secu-
7 rity Act of 1947 (50 U.S.C. 402 et seq.) is amended
8 by striking sections 102 through 104 and inserting
9 the following new sections:

10 “OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE
11 “SEC. 102. (a) OFFICE OF DIRECTOR OF NATIONAL
12 INTELLIGENCE.—(1) There is an Office of the Director

1 of National Intelligence. The function of the Office is to
2 assist the Director of National Intelligence in carrying out
3 the duties and responsibilities of the Director under this
4 Act and to carry out such other duties as may be pre-
5 scribed by law.

6 “(2) The Office of the Director of National Intel-
7 ligence is composed of the following:

8 “(A) The Director of National Intelligence.

9 “(B) The Deputy Director of National Intel-
10 ligence.

11 “(C) The Deputy Director of National Intel-
12 ligence for Community Management.

13 “(D) The National Intelligence Council.

14 “(E) The Assistant Director of National Intel-
15 ligence for Collection.

16 “(F) The Assistant Director of National Intel-
17 ligence for Analysis and Production.

18 “(G) The Assistant Director of National Intel-
19 ligence for Administration.

20 “(H) The General Counsel to the Director of
21 National Intelligence.

22 “(I) The Inspector General of the Intelligence
23 Community.

24 “(J) The Office of the National Counterintel-
25 ligence Executive.

1 “(K) Such other offices and officials as may be
2 established by law or the Director of National Intel-
3 ligence may establish or designate in the Office.

4 “(3) To assist the Director in fulfilling the respon-
5 sibilities of the Director as head of the intelligence commu-
6 nity, the Director shall employ and utilize in the Office
7 of the Director of National Intelligence a professional staff
8 having an expertise in matters relating to such responsibil-
9 ities, and may establish permanent positions and appro-
10 priate rates of pay with respect to that staff.

11 “(b) DIRECTOR OF NATIONAL INTELLIGENCE.—(1)
12 There is a Director of National Intelligence who shall be
13 appointed by the President, by and with the advice and
14 consent of the Senate.

15 “(2) Any individual nominated for appointment as
16 Director of National Intelligence shall have extensive na-
17 tional security expertise.

18 “(3) The Director of National Intelligence shall—

19 “(A) serve as head of the United States intel-
20 ligence community; and

21 “(B) act as the principal adviser to the Presi-
22 dent for intelligence matters related to the national
23 security.

24 “(c) DEPUTY DIRECTOR OF NATIONAL INTEL-
25 LIGENCE.—(1) There is a Deputy Director of National In-

1 telligence who shall be appointed by the President, by and
2 with the advice and consent of the Senate.

3 “(2) Any individual nominated for appointment as
4 Deputy Director of National Intelligence shall have exten-
5 sive national security expertise.

6 “(3) The Deputy Director of National Intelligence
7 shall assist the Director of National Intelligence in car-
8 rying out the Director’s responsibilities under this Act.

9 “(4) The Deputy Director of National Intelligence
10 shall act for, and exercise the powers of, the Director of
11 National Intelligence during the Director’s absence or dis-
12 ability or during a vacancy in the position of the Director
13 of National Intelligence.

14 “(5) The Deputy Director of National Intelligence
15 takes precedence in the Office of the Director of National
16 Intelligence immediately after the Director of National In-
17 telligence.

18 “(d) DEPUTY DIRECTOR OF NATIONAL INTEL-
19 LIGENCE FOR COMMUNITY MANAGEMENT.—(1) There is
20 a Deputy Director of National Intelligence for Community
21 Management who shall be appointed by the President, by
22 and with the advice and consent of the Senate.

23 “(2) Any individual nominated for appointment as
24 Deputy Director of National Intelligence for Community

1 Management shall have extensive national security exper-
2 tise.

3 “(3) The Deputy Director of National Intelligence for
4 Community Management shall, subject to the direction of
5 the Director of National Intelligence, be responsible for
6 the following:

7 “(A) Directing the operations of the Commu-
8 nity Management Staff.

9 “(B) Through the Assistant Director of Na-
10 tional Intelligence for Collection, ensuring the effi-
11 cient and effective collection of national intelligence
12 using technical means and human sources.

13 “(C) Through the Assistant Director of Na-
14 tional Intelligence for Analysis and Production, con-
15 ducting oversight of the analysis and production of
16 intelligence by elements of the intelligence commu-
17 nity.

18 “(D) Through the Assistant Director of Na-
19 tional Intelligence for Administration, performing
20 community-wide management functions of the intel-
21 ligence community, including the management of
22 personnel and resources.

23 “(4) The Deputy Director of National Intelligence for
24 Community Management takes precedence in the Office

1 of the Director of National Intelligence immediately after
2 the Deputy Director of National Intelligence.

3 “(e) MILITARY STATUS OF DIRECTOR AND DEPUTY
4 DIRECTORS.—(1) Not more than one of the individuals
5 serving in the positions specified in paragraph (2) may
6 be a commissioned officer of the Armed Forces, whether
7 in active or retired status.

8 “(2) The positions referred to in this paragraph are
9 the following:

10 “(A) The Director of National Intelligence.

11 “(B) The Deputy Director of National Intel-
12 ligence.

13 “(C) The Deputy Director of National Intel-
14 ligence for Community Management.

15 “(3) It is the sense of Congress that, under ordinary
16 circumstances, it is desirable that one of the individuals
17 serving in the positions specified in paragraph (2)—

18 “(A) be a commissioned officer of the Armed
19 Forces, whether in active or retired status; or

20 “(B) have, by training or experience, an appre-
21 ciation of military intelligence activities and require-
22 ments.

23 “(4) A commissioned officer of the Armed Forces,
24 while serving in a position specified in paragraph (2)—

1 “(A) shall not be subject to supervision or con-
2 trol by the Secretary of Defense or by any officer or
3 employee of the Department of Defense;

4 “(B) shall not exercise, by reason of the offi-
5 cer’s status as a commissioned officer, any super-
6 vision or control with respect to any of the military
7 or civilian personnel of the Department of Defense
8 except as otherwise authorized by law; and

9 “(C) shall not be counted against the numbers
10 and percentages of commissioned officers of the rank
11 and grade of such officer authorized for the military
12 department of that officer.

13 “(5) Except as provided in subparagraph (A) or (B)
14 of paragraph (4), the appointment of an officer of the
15 Armed Forces to a position specified in paragraph (2)
16 shall not affect the status, position, rank, or grade of such
17 officer in the Armed Forces, or any emolument, perquisite,
18 right, privilege, or benefit incident to or arising out of such
19 status, position, rank, or grade.

20 “(6) A commissioned officer of the Armed Forces on
21 active duty who is appointed to a position specified in
22 paragraph (2), while serving in such position and while
23 remaining on active duty, shall continue to receive military
24 pay and allowances and shall not receive the pay pre-
25 scribed for such position. Funds from which such pay and

1 allowances are paid shall be reimbursed from funds avail-
2 able to the Director of National Intelligence.

3 “(f) NATIONAL INTELLIGENCE COUNCIL.—(1) There
4 is a National Intelligence Council.

5 “(2)(A) The Council shall be composed of senior ana-
6 lysts within the intelligence community and substantive
7 experts from the public and private sector, who shall be
8 appointed by, report to, and serve at the pleasure of the
9 Director of National Intelligence.

10 “(B) The Director shall prescribe appropriate secu-
11 rity requirements for personnel appointed from the private
12 sector as a condition of service on the Council, or as con-
13 tractors of the Council or employees of such contractors,
14 to ensure the protection of intelligence sources and meth-
15 ods while avoiding, wherever possible, unduly intrusive re-
16 quirements which the Director considers to be unnecessary
17 for this purpose.

18 “(3) The Council shall—

19 “(A) produce national intelligence estimates for
20 the Government, including, whenever the Council
21 considers appropriate, alternative views held by ele-
22 ments of the intelligence community;

23 “(B) evaluate community-wide collection and
24 production of intelligence by the intelligence commu-

1 nity and the requirements and resources of such col-
2 lection and production; and

3 “(C) otherwise assist the Director in carrying
4 out the responsibilities described in section 103(a).

5 “(4) Within their respective areas of expertise and
6 under the direction of the Director, the members of the
7 Council shall constitute the senior intelligence advisers of
8 the intelligence community for purposes of representing
9 the views of the intelligence community within the Govern-
10 ment.

11 “(5) Subject to the direction and control of the Direc-
12 tor, the Council may carry out its responsibilities under
13 this subsection by contract, including contracts for sub-
14 stantive experts necessary to assist the Council with par-
15 ticular assessments under this subsection.

16 “(6) The Director shall make available to the Council
17 such staff as may be necessary to permit the Council to
18 carry out its responsibilities under this subsection, and
19 shall take appropriate measures to ensure that the Council
20 and its staff satisfy the needs of policymaking officials and
21 other consumers of intelligence.

22 “(7) The Council shall be readily accessible to policy-
23 making officials and other appropriate individuals not oth-
24 erwise associated with the intelligence community.

1 “(8) The heads of elements within the intelligence
2 community shall, as appropriate, furnish such support to
3 the Council, including the preparation of intelligence anal-
4 yses, as may be required by the Director.

5 “(g) ASSISTANT DIRECTOR OF NATIONAL INTEL-
6 LIGENCE FOR COLLECTION.—(1) There is an Assistant
7 Director of National Intelligence for Collection who shall
8 be appointed by the President, by and with the advice and
9 consent of the Senate.

10 “(2) The Assistant Director for Collection shall assist
11 the Director of National Intelligence in carrying out the
12 Director’s collection responsibilities in order to ensure the
13 efficient and effective collection of national intelligence.

14 “(h) ASSISTANT DIRECTOR OF NATIONAL INTEL-
15 LIGENCE FOR ANALYSIS AND PRODUCTION.—(1) There is
16 an Assistant Director of National Intelligence for Analysis
17 and Production who shall be appointed by the President,
18 by and with the advice and consent of the Senate.

19 “(2) The Assistant Director for Analysis and Produc-
20 tion shall—

21 “(A) oversee the analysis and production of in-
22 telligence by the elements of the intelligence commu-
23 nity;

1 “(B) establish standards and priorities relating
2 to the analysis and production of intelligence by
3 such elements;

4 “(C) monitor the allocation of resources for the
5 analysis and production of intelligence in order to
6 identify unnecessary duplication in the analysis and
7 production of intelligence;

8 “(D) direct competitive analysis of analytical
9 products having National importance;

10 “(E) identify intelligence to be collected for
11 purposes of the Assistant Director of National Intel-
12 ligence for Collection; and

13 “(F) provide such additional analysis and pro-
14 duction of intelligence as the President and the Na-
15 tional Security Council may require.

16 “(i) ASSISTANT DIRECTOR OF NATIONAL INTEL-
17 LIGENCE FOR ADMINISTRATION.—(1) There is an Assist-
18 ant Director of National Intelligence for Administration
19 who shall be appointed by the President, by and with the
20 advice and consent of the Senate.

21 “(2) The Assistant Director for Administration shall
22 manage such activities relating to the administration of
23 the intelligence community as the Director of National In-
24 telligence shall require.

1 “(j) GENERAL COUNSEL TO DIRECTOR OF NATIONAL
2 INTELLIGENCE.—(1) There is a General Counsel to the
3 Director of National Intelligence who shall be appointed
4 from civilian life by the President, by and with the advice
5 and consent of the Senate.

6 “(2) The individual serving in the position of General
7 Counsel to the Director of National Intelligence may not,
8 while so serving, also serve as the General Counsel of the
9 Central Intelligence Agency.

10 “(3) The General Counsel to the Director of National
11 Intelligence is the chief legal officer for the Director of
12 National Intelligence.

13 “(4) The General Counsel to the Director of National
14 Intelligence shall perform such functions as the Director
15 of National Intelligence may prescribe.

16 “(k) INSPECTOR GENERAL OF INTELLIGENCE COM-
17 MUNITY.—(1) There shall be an Inspector General of the
18 Intelligence Community who is appointed as provided in
19 section 3 of the Inspector General Act of 1978 (5 U.S.C.
20 App. 3).

21 “(2) The Inspector General of the Intelligence Com-
22 munity shall report to and be under the general super-
23 vision of the Director of National Intelligence.

24 “(3) The Inspector General of the Intelligence Com-
25 munity shall, with respect to the intelligence community

1 as a whole and each element of the intelligence commu-
 2 nity, perform such duties, have such responsibilities, and
 3 exercise such powers specified in the Inspector General
 4 Act of 1978 as the Director of National Intelligence shall
 5 prescribe.

6 “(4) Each inspector general of an element of the in-
 7 telligence community shall cooperate fully with the Inspec-
 8 tor General of the Intelligence Community in the perform-
 9 ance of any duty or function by the Inspector General of
 10 the Intelligence Community under this subsection regard-
 11 ing such element.

12 “(5) The performance by the Inspector General of the
 13 Intelligence Community of any duty or function regarding
 14 an element of the intelligence community may not be con-
 15 strued to modify or affect the responsibility of any other
 16 inspector general having responsibilities regarding the ele-
 17 ment of the intelligence community.

18 “RESPONSIBILITIES OF DIRECTOR OF NATIONAL
 19 INTELLIGENCE

20 “SEC. 103. (a) PROVISION OF INTELLIGENCE.—(1)
 21 Under the direction of the National Security Council, the
 22 Director of National Intelligence shall be responsible for
 23 providing national intelligence—

24 “(A) to the President;

25 “(B) to the heads of departments and agencies
 26 of the executive branch;

1 “(C) to the Chairman of the Joint Chiefs of
2 Staff and senior military commanders; and

3 “(D) where appropriate, to the Senate and
4 House of Representatives and the committees there-
5 of.

6 “(2) Such national intelligence should be timely, ob-
7 jective, independent of political considerations, and based
8 upon all sources available to the intelligence community.

9 “(b) RESPONSIBILITIES OF DIRECTOR OF NATIONAL
10 INTELLIGENCE.—The Director of National Intelligence
11 shall—

12 “(1) develop an annual budget for intelligence
13 and intelligence-related activities of the United
14 States by—

15 “(A) developing and presenting to the
16 President an annual budget for the National
17 Foreign Intelligence Program, including review,
18 approval, and modification of the execution of
19 intelligence community budgets, and personnel
20 and resource allocation in furtherance of such
21 annual budget;

22 “(B) participating in the development by
23 the Secretary of Defense of the annual budgets
24 for the Joint Military Intelligence Program and

1 the Tactical Intelligence and Related Activities
2 Program; and

3 “(C) managing and overseeing the execu-
4 tion and, if necessary, the modification of the
5 annual budget for the National Foreign Intel-
6 ligence Program, including directing the trans-
7 fer of funds or personnel between elements of
8 the intelligence community;

9 “(D) setting, monitoring, and enforcing
10 consistent policy for the intelligence community;

11 “(E) reviewing, approving, modifying, and
12 exercising primary management and oversight
13 of the research and development efforts of the
14 intelligence community;

15 “(F) reviewing, approving, and coordi-
16 nating relationships between elements of the in-
17 telligence community and foreign intelligence,
18 law enforcement, and security services;

19 “(G) insuring that the elements of the in-
20 telligence community comply fully with policies,
21 guidance, and authorities applicable to the in-
22 telligence community on management, adminis-
23 tration, and law;

1 “(2) establish the requirements and priorities to
2 govern the collection of national intelligence by ele-
3 ments of the intelligence community;

4 “(3) approve, establish, and enforce collection
5 processing, and dissemination requirements, deter-
6 mine collection priorities, and resolve conflicts in col-
7 lection priorities levied on national collection assets,
8 except as otherwise agreed with the Secretary of De-
9 fense pursuant to the direction of the President;

10 “(4) promote and evaluate the utility of na-
11 tional intelligence to consumers within the Govern-
12 ment;

13 “(5) eliminate waste and unnecessary duplica-
14 tion within the intelligence community;

15 “(6) establish requirements and priorities for
16 foreign intelligence information to be collected under
17 the Foreign Intelligence Surveillance Act of 1978
18 (50 U.S.C. 1801 et seq.), and provide assistance to
19 the Attorney General to ensure that information de-
20 rived from electronic surveillance or physical
21 searches under that Act is disseminated so it may be
22 used efficiently and effectively for foreign intel-
23 ligence purposes, except that the Director shall have
24 no authority to direct, manage, or undertake elec-
25 tronic surveillance or physical search operations pur-

1 suant to that Act unless otherwise authorized by
2 statute or Executive order;

3 “(7) protect intelligence sources and methods
4 from unauthorized disclosure; and

5 “(8) perform such other functions as the Presi-
6 dent or the National Security Council may direct.

7 “AUTHORITIES OF DIRECTOR OF NATIONAL
8 INTELLIGENCE

9 “SEC. 103A. (a) ACCESS TO INTELLIGENCE.—To the
10 extent recommended by the National Security Council and
11 approved by the President, the Director of National Intel-
12 ligence shall have access to all intelligence related to the
13 national security which is collected by any department,
14 agency, or other entity of the United States.

15 “(b) APPROVAL OF BUDGETS.—The Director of Na-
16 tional Intelligence shall supervise the elements of the intel-
17 ligence community in the preparation of their annual
18 budgets, and shall approve such budgets before their in-
19 corporation in the National Foreign Intelligence Program.

20 “(c) REPROGRAMMING.—(1) No funds made avail-
21 able under the National Foreign Intelligence Program
22 may be reprogrammed by any element of the intelligence
23 community without the prior approval of the Director of
24 National Intelligence except in accordance with procedures
25 issued by the Director.

1 “(2) The Secretary of Defense shall consult with the
2 Director before reprogramming funds made available
3 under the Joint Military Intelligence Program.

4 “(d) TRANSFER OF FUNDS OR PERSONNEL WITHIN
5 NATIONAL FOREIGN INTELLIGENCE PROGRAM.—(1)(A)
6 In addition to any other authorities available under law
7 for such purposes, the Director of National Intelligence
8 may, with the approval of the Director of the Office of
9 Management and Budget, transfer funds appropriated for
10 a program within the National Foreign Intelligence Pro-
11 gram to another such program and, in accordance with
12 procedures to be developed by the Director, may transfer
13 personnel authorized for an element of the intelligence
14 community to another such element for periods up to a
15 year.

16 “(B) The Director may only delegate a duty or au-
17 thority given the Director under this subsection to the
18 Deputy Director of National Intelligence for Community
19 Management.

20 “(2) A transfer of funds or personnel may be made
21 under this subsection only if—

22 “(A) the funds or personnel are being trans-
23 ferred to an activity that is a higher priority intel-
24 ligence activity;

1 “(B) the need for funds or personnel for such
2 activity is based on unforeseen requirements; and

3 “(C) the transfer does not involve a transfer of
4 funds to the Reserve for Contingencies of the Cen-
5 tral Intelligence Agency.

6 “(3) Funds transferred under this subsection shall
7 remain available for the same period as the appropriations
8 account to which transferred.

9 “(4)(A) Any transfer of funds under this subsection
10 shall be carried out in accordance with existing procedures
11 applicable to reprogramming notifications for the appro-
12 priate congressional committees.

13 “(B) Any proposed transfer for which notice is given
14 to the appropriate congressional committees shall be ac-
15 companied by a report explaining the nature of the pro-
16 posed transfer and how it satisfies the requirements of this
17 subsection. In addition, the congressional intelligence com-
18 mittees shall be promptly notified of any transfer of funds
19 made pursuant to this subsection in any case in which the
20 transfer would not have otherwise required reprogram-
21 ming notification under procedures in effect as of October
22 24, 1992.

23 “(5) The Director shall promptly submit to the con-
24 gressional intelligence committees and, in the case of the
25 transfer of personnel to or from the Department of De-

1 fense, the Committee on Armed Services of the Senate and
2 the Committee on Armed Services of the House of Rep-
3 resentatives, a report on any transfer of personnel made
4 pursuant to this subsection. The Director shall include in
5 any such report an explanation of the nature of the trans-
6 fer and how it satisfies the requirements of this sub-
7 section.

8 “(e) COORDINATION WITH FOREIGN GOVERN-
9 MENTS.—Under the direction of the National Security
10 Council and in a manner consistent with section 207 of
11 the Foreign Service Act of 1980 (22 U.S.C. 3927), the
12 Director of National Intelligence shall coordinate the rela-
13 tionships between elements of the intelligence community
14 and the intelligence or security services of foreign govern-
15 ments on all matters involving intelligence related to the
16 national security or involving intelligence acquired through
17 clandestine means.

18 “(f) USE OF PERSONNEL.—The Director of National
19 Intelligence shall, in coordination with the heads of de-
20 partments and agencies with elements in the intelligence
21 community, institute policies and programs within the in-
22 telligence community—

23 “(1) to provide for the rotation of personnel be-
24 tween the elements of the intelligence community,
25 where appropriate, and to make such rotated service

1 a factor to be considered for promotion to senior po-
2 sitions; and

3 “(2) to consolidate, wherever possible, per-
4 sonnel, administrative, and security programs to re-
5 duce the overall costs of these activities within the
6 intelligence community.

7 “(g) STANDARDS AND QUALIFICATIONS FOR PER-
8 FORMANCE OF INTELLIGENCE ACTIVITIES.—The Director
9 of National Intelligence shall, in consultation with the
10 heads of effected agencies, develop standards and quali-
11 fications for persons engaged in the performance of intel-
12 ligence activities within the intelligence community.

13 “CENTRAL INTELLIGENCE AGENCY

14 “SEC. 104. (a) IN GENERAL.—There is a Central In-
15 telligence Agency.

16 “(b) FUNCTION.—The function of the Agency shall
17 be to assist the Director of the Central Intelligence Agency
18 in carrying out the responsibilities of the Director under
19 section 104A(d).

20 “DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY

21 “SEC. 104A. (a) DIRECTOR OF CENTRAL INTEL-
22 LIGENCE AGENCY.—There is a Director of the Central In-
23 telligence Agency who shall be appointed by the President,
24 by and with the advice and consent of the Senate.

1 “(b) HEAD OF CENTRAL INTELLIGENCE AGENCY.—

2 The Director of the Central Intelligence Agency shall be
3 the head of the Central Intelligence Agency.

4 “(c) PROHIBITION ON SIMULTANEOUS SERVICE AS

5 DIRECTOR OF NATIONAL INTELLIGENCE.—The individual

6 serving in the position of Director of the Central Intel-

7 ligence Agency shall not, while so serving, also serve as

8 the Director of National Intelligence.

9 “(d) GENERAL RESPONSIBILITIES.—As head of the

10 Central Intelligence Agency, the Director of the Central

11 Intelligence Agency shall—

12 “(1) collect intelligence through human sources

13 and by other appropriate means, except that the

14 Agency shall have no police, subpoena, or law en-

15 forcement powers or internal security functions;

16 “(2) provide overall direction for the collection

17 of national intelligence through human sources by

18 elements of the intelligence community authorized to

19 undertake such collection and, in coordination with

20 other agencies of the Government which are author-

21 ized to undertake such collection, ensure that the

22 most effective use is made of resources and that the

23 risks to the United States and those involved in such

24 collection are minimized;

1 “(3) correlate and evaluate intelligence related
2 to the national security and provide appropriate dis-
3 semination of such intelligence;

4 “(4) perform such additional services as are of
5 common concern to the elements of the intelligence
6 community, which services the Director of National
7 Intelligence determines can be more efficiently ac-
8 complished centrally; and

9 “(5) perform such other functions and duties
10 related to intelligence affecting the national security
11 as the President or the National Security Council
12 may direct.

13 “(e) TERMINATION OF EMPLOYMENT OF CIA EM-
14 PLOYEES.—(1) Notwithstanding any other provision of
15 law, the Director of the Central Intelligence Agency may,
16 in the Director’s discretion, terminate the employment of
17 any officer or employee of the Central Intelligence Agency
18 whenever the Director considers such termination nec-
19 essary or advisable in the interests of the United States.

20 “(2) Termination under paragraph (1) shall not af-
21 fect the right of the officer or employee terminated to seek
22 or accept employment in any other department or agency
23 of the Government if declared eligible for such employ-
24 ment by the Office of Personnel Management.”.

1 (2) SENSE OF CONGRESS ON CABINET-LEVEL
2 STATUS OF DIRECTOR OF NATIONAL INTEL-
3 LIGENCE.—It is the sense of Congress that the Di-
4 rector of National Intelligence should be a cabinet-
5 level officer of the United States Government.

6 (3) GENERAL REFERENCES.—(A) Any ref-
7 erence to the Director of Central Intelligence in the
8 Director's capacity as the head of the intelligence
9 community in any law, regulation, document, paper,
10 or other record of the United States shall be deemed
11 to be a reference to the Director of National Intel-
12 ligence.

13 (B) Any reference to the Director of Central In-
14 telligence in the Director's capacity as the head of
15 the Central Intelligence Agency in any law, regula-
16 tion, document, paper, or other record of the United
17 States shall be deemed to be a reference to the Di-
18 rector of the Central Intelligence Agency.

19 (C) Any reference to the Deputy Director of
20 Central Intelligence in the Deputy Director's capac-
21 ity as deputy to the head of the intelligence commu-
22 nity in any law, regulation, document, paper, or
23 other record of the United States shall be deemed to
24 be a reference to the Deputy Director of National
25 Intelligence.

1 (D) Any reference to the Deputy Director of
2 Central Intelligence for Community Management in
3 any law, regulation, document, paper, or other
4 record of the United States shall be deemed to be
5 a reference to the Deputy Director of National Intel-
6 ligence for Community Management.

7 (E) Any reference to the Assistant Director of
8 Central Intelligence for Collection in any law, regula-
9 tion, document, paper, or other record of the United
10 States shall be deemed to be a reference to the As-
11 sistant Director of National Intelligence for Collec-
12 tion.

13 (F) Any reference to the Assistant Director of
14 Central Intelligence for Analysis and Production in
15 any law, regulation, document, paper, or other
16 record of the United States shall be deemed to be
17 a reference to the Assistant Director of National In-
18 telligence for Analysis and Production.

19 (G) Any reference to the Assistant Director of
20 Central Intelligence for Administration in any law,
21 regulation, document, paper, or other record of the
22 United States shall be deemed to be a reference to
23 the Assistant Director of National Intelligence for
24 Administration.

25 (b) EXECUTIVE SCHEDULE MATTERS.—

1 (1) EXECUTIVE SCHEDULE LEVEL II.—Section
2 5313 of title 5, United States Code, is amended by
3 striking the item relating to the Director of Central
4 Intelligence and inserting the following new items:

5 “Director of National Intelligence.

6 “Director of the Central Intelligence Agency.”.

7 (2) EXECUTIVE SCHEDULE LEVEL III.—Section
8 5314 of title 5, United States Code, is amended by
9 striking the item relating to the Deputy Directors of
10 Central Intelligence and inserting the following new
11 item:

12 “Deputy Directors of National Intelligence
13 (2).”.

14 (3) EXECUTIVE SCHEDULE LEVEL IV.—Section
15 5315 of title 5, United States Code, is amended—

16 (A) by striking the item relating to the As-
17 sistant Directors of Central Intelligence and in-
18 serting the following new item:

19 “Assistant Directors of National Intelligence
20 (3).”;

21 (B) by striking the item relating to the In-
22 spector General of the Central Intelligence
23 Agency and inserting the following new items:

24 “Inspector General, Central Intelligence Agen-
25 cy.

1 “Inspector General, Intelligence Community.”;
2 and

3 (C) by inserting after the item relating to
4 the General Counsel of the Central Intelligence
5 Agency the following new item:

6 “General Counsel to the Director of National
7 Intelligence.”.

8 (c) CONFORMING AND CLERICAL AMENDMENTS.—

9 (1) NATIONAL SECURITY ACT OF 1947.—(A)
10 The National Security Act of 1947 (50 U.S.C. 401
11 et seq.) is amended by striking “Director of Central
12 Intelligence” and inserting “Director of National In-
13 telligence” each place it appears in the following
14 provisions:

15 (i) Section 3(4)(A) (50 U.S.C.
16 401a(4)(A)), both places it appears.

17 (ii) Section 3(4)(J) (50 U.S.C.
18 401a(4)(J)).

19 (iii) Section 3(5)(B) (50 U.S.C.
20 401a(5)(B)).

21 (iv) Section 3(6) (50 U.S.C. 401a(6)).

22 (v) Section 101(h)(2)(A) (50 U.S.C.
23 402(h)(2)(A)).

24 (vi) Section 101(h)(5) (50 U.S.C.
25 402(h)(5)).

1 (vii) Section 101(i)(2)(A) (50 U.S.C.
2 402(i)(2)(A)).

3 (viii) Section 101(j) (50 U.S.C. 402(j)),
4 both places it appears.

5 (ix) Section 105(a) (50 U.S.C. 403–5(a)).

6 (x) Section 105(a)(2) (50 U.S.C. 403–
7 5(a)(2)).

8 (xi) Section 105(b)(6)(A) (50 U.S.C. 403–
9 5(b)(6)(A)).

10 (xii) Section 105B(a)(1) (50 U.S.C. 403–
11 5b(a)(1)).

12 (xiii) Section 105B(a)(2) (50 U.S.C. 403–
13 5b(a)(2)).

14 (xiv) Section 105B(b) (50 U.S.C. 403–
15 5b(b)), both places it appears.

16 (xv) Section 105C(a)(6)(B)(viii) (50
17 U.S.C. 403–5c(a)(6)(B)(viii)).

18 (xvi) Section 105C(b) (50 U.S.C. 403–
19 5c(b)), both places it appears.

20 (xvii) Section 105D(b) both places it ap-
21 pears.

22 (xviii) Section 106(a)(1) (50 U.S.C. 403–
23 6(a)(1)).

24 (xix) Section 106(b)(1) (50 U.S.C. 403–
25 6(b)(1)).

1 (xx) Section 106(b)(3) (50 U.S.C. 403–
2 6(b)(3)).

3 (xxi) Section 110(b) (50 U.S.C. 404e(b)).

4 (xxii) Section 110(c) (50 U.S.C. 404e(c)).

5 (xxiii) Section 111 (50 U.S.C. 404f).

6 (xxiv) Section 112(a)(1) (50 U.S.C.
7 404g(a)(1)).

8 (xxv) Section 112(d)(1) (50 U.S.C.
9 404g(d)(1)).

10 (xxvi) Section 113(b)(2)(A) (50 U.S.C.
11 404h(b)(2)(A)).

12 (xxvii) Section 113(c) (50 U.S.C. 404h(c)).

13 (xxviii) Section 114(a)(1) (50 U.S.C.
14 404i(a)(1)).

15 (xxix) Section 114(b)(1) (50 U.S.C.
16 404i(b)(1)).

17 (xxx) Section 114(c)(1).

18 (xxxi) Section 115(a)(1) (50 U.S.C.
19 404j(a)(1)).

20 (xxxii) Section 115(b) (50 U.S.C. 404j(b)).

21 (xxxiii) Section 115(c)(1)(B) (50 U.S.C.
22 404j(c)(1)(B)).

23 (xxxiv) Section 116(a) (50 U.S.C.
24 404k(a)).

25 (xxxv) Section 116(b) (50 U.S.C. 404k(b)).

1 (xxxvi) Section 117(a)(1) (50 U.S.C.
2 404l(a)(1)).

3 (xxxvii) Section 303(a) (50 U.S.C. 405(a)),
4 both places it appears.

5 (xxxviii) Section 501(d) (50 U.S.C.
6 413(d)).

7 (xxxix) Section 502(a) (50 U.S.C.
8 413a(a)).

9 (xl) Section 502(c) (50 U.S.C. 413a(c)).

10 (xli) Section 503(b) (50 U.S.C. 413b(b)).

11 (xlii) Section 504(d)(2) (50 U.S.C.
12 414(d)(2)).

13 (xliii) Section 506(b).

14 (xliv) Section 603(a) (50 U.S.C. 423(a)).

15 (xlv) Section 1001(a).

16 (B) The National Security Act of 1947 is fur-
17 ther amended by striking “Director of Central Intel-
18 ligence” and inserting “Director of the Central In-
19 telligence Agency” each place it appears in the fol-
20 lowing provisions:

21 (i) Section 504(a)(2) (50 U.S.C.
22 414(a)(2)).

23 (ii) Section 504(a)(3)(C) (50 U.S.C.
24 414(a)(3)(C)).

25 (iii) Section 701(a) (50 U.S.C. 431(a)).

1 (iv) Section 702(a) (50 U.S.C. 432(a)).

2 (C) Section 3(4)(A) of that Act (50 U.S.C.
3 401a(4)(A)) is further amended—

4 (i) by striking “as provided in section
5 105(b)(3)” and inserting “as provided in sec-
6 tion 102(f)”;

7 (ii) by striking “the Director may” and in-
8 serting “the Director of National Intelligence
9 may”.

10 (D) Section 105(b) of that Act (50 U.S.C. 403–
11 5(b)) is further amended by striking “sections 103
12 and 104” and inserting “sections 103, 103A, and
13 104A”.

14 (E) Section 112(d) of that Act (50 U.S.C.
15 404g(d)) is further amended—

16 (i) in paragraph (1), by striking “section
17 103(c)(6) of this Act” and inserting “section
18 103(b)(7)”;

19 (ii) in paragraph (2), by striking “of this
20 Act”.

21 (F) Section 701(c)(3) of that Act (50 U.S.C.
22 431(c)(3)) is amended by striking “or the Office of
23 the Director of Central Intelligence” and inserting
24 “the Office of the Director of National Intelligence,

1 or the Office of the Director of the Central Intel-
 2 ligence Agency”.

3 (G) Section 1001(b) of that Act is amended by
 4 striking “Assistant Director of Central Intelligence
 5 for Administration” and inserting “Assistant Direc-
 6 tor of National Intelligence for Administration”.

7 (H) The subsection caption of section 105(d) of
 8 that Act (50 U.S.C. 403–5(d)) is amended by strik-
 9 ing “THE DIRECTOR OF CENTRAL INTELLIGENCE”
 10 and inserting “DIRECTOR OF NATIONAL INTEL-
 11 LIGENCE”.

12 (I) Section 106 of that Act (50 U.S.C. 403–6)
 13 is further amended—

14 (i) in the subsection caption for subsection
 15 (a), by striking “DCI” and inserting “DNI”;
 16 and

17 (ii) in the subsection caption for subsection
 18 (b), by striking “DCI” and inserting “DNI”.

19 (J) The heading for section 114 of that Act (50
 20 U.S.C. 404i) is amended to read as follows:

21 “ADDITIONAL ANNUAL REPORTS FROM THE DIRECTOR OF
 22 NATIONAL INTELLIGENCE”.

23 (K) The table of sections for that Act is amend-
 24 ed—

1 (i) by striking the items relating to sec-
 2 tions 102 through 104 and inserting the fol-
 3 lowing new items:

“Sec. 102. Office of the Director of Central Intelligence.
 “Sec. 103. Responsibilities of Director of National Intelligence.
 “Sec. 103A. Authorities of Director of National Intelligence.
 “Sec. 104. Central Intelligence Agency.
 “Sec. 104A. Director of the Central Intelligence Agency.”; and

4 (ii) by striking the item relating to section
 5 114 and inserting the following new item:

“Sec. 114. Additional annual reports from the Director of National Intel-
 ligence.”.

6 (2) CENTRAL INTELLIGENCE AGENCY ACT OF
 7 1949.—(A) Section 1 of the Central Intelligence
 8 Agency Act of 1949 (50 U.S.C. 403a) is amended—

9 (i) by redesignating paragraphs (a) and (c)
 10 as paragraphs (1) and (3), respectively; and

11 (ii) by striking paragraph (b) and inserting
 12 the following new paragraph (2):

13 “(2) ‘Director’ means the Director of the Cen-
 14 tral Intelligence Agency; and”.

15 (B) Section 6 of that Act (50 U.S.C. 403g) is
 16 amended—

17 (i) by striking “Director of Central Intel-
 18 ligence” and inserting “Director of National In-
 19 telligence”; and

20 (ii) by striking “section 103(c)(6) of the
 21 National Security Act of 1947 (50 U.S.C. 403–

1 3(c)(6))” and inserting “section 103(b)(7) of
2 the National Security Act of 1947”.

3 (C) That Act is further amended by striking
4 “Director of Central Intelligence” each place it ap-
5 pears in the following provisions and inserting “Di-
6 rector of the Central Intelligence Agency”:

7 (i) Section 14(b) (50 U.S.C. 403n(b)).

8 (ii) Section 16(b)(2) (50 U.S.C.
9 403p(b)(2)).

10 (iii) Section 16(b)(3) (50 U.S.C.
11 403p(b)(3)), both places it appears.

12 (iv) Section 20(g)(3)(B) (50 U.S.C.
13 403u(g)(3)(B)).

14 (v) Section 20(h)(1) (50 U.S.C.
15 403u(h)(1)).

16 (vi) Section 20(h)(2) (50 U.S.C.
17 403u(h)(2)).

18 (D) That Act is further amended by striking
19 “of Central Intelligence” in each of the following
20 provisions:

21 (i) Section 16(c)(1)(B) (50 U.S.C.
22 403p(c)(1)(B)).

23 (ii) Section 17(d)(1) (50 U.S.C.
24 403q(d)(1)).

1 (iii) Section 17(f) (50 U.S.C. 403q(f)),
 2 both places it appears.

3 (iv) Section 20(c) (50 U.S.C. 403t(c)).

4 (3) CENTRAL INTELLIGENCE AGENCY RETIRE-
 5 MENT ACT.—(A) Section 101 of the Central Intel-
 6 ligence Agency Retirement Act (50 U.S.C. 2001) is
 7 amended by striking paragraph (2) and inserting the
 8 following new paragraph (2):

9 “(2) DIRECTOR.—The term ‘Director’ means
 10 the Director of the Central Intelligence Agency.”.

11 (B) Section 201(c) of that Act (50 U.S.C.
 12 2011) is amended by striking “paragraph (6) of sec-
 13 tion 103(c) of the National Security Act of 1947 (50
 14 U.S.C. 403–3(c)) that the Director of Central Intel-
 15 ligence” and inserting “section 103(b)(7) of the Na-
 16 tional Security Act of 1947 that the Director of the
 17 National Intelligence”.

18 (4) CIA VOLUNTARY SEPARATION PAY ACT.—
 19 Subsection (a)(1) of section 2 of the Central Intel-
 20 ligence Agency Voluntary Separation Pay Act (50
 21 U.S.C. 2001 note) is amended to read as follows:

22 “(1) the term ‘Director’ means the Director of
 23 the Central Intelligence Agency;”.

24 (5) INSPECTOR GENERAL ACT OF 1978.—Sec-
 25 tion 8H(a)(1)(C) of the Inspector General Act of

1 1978 (5 U.S.C. App. 8H(a)(1)(C)) is amended by
 2 inserting before the period at the end the following:
 3 “or to the Inspector General of the Intelligence
 4 Community”.

5 (6) FOREIGN INTELLIGENCE SURVEILLANCE
 6 ACT OF 1978.—The Foreign Intelligence Surveillance
 7 Act of 1978 (50 U.S.C. 1801 et seq.) is amended by
 8 striking “Director of Central Intelligence” each
 9 place it appears and inserting “Director of National
 10 Intelligence”.

11 (7) CLASSIFIED INFORMATION PROCEDURES
 12 ACT.—Section 9(a) of the Classified Information
 13 Procedures Act (5 U.S.C. App.) is amended by strik-
 14 ing “Director of Central Intelligence” and inserting
 15 “Director of National Intelligence”.

16 (8) INTELLIGENCE AUTHORIZATION ACTS.—

17 (A) PUBLIC LAW 103–359.—Section
 18 811(c)(6)(C) of the Counterintelligence and Se-
 19 curity Enhancements Act of 1994 (title VIII of
 20 Public Law 103–359) is amended by striking
 21 “Director of Central Intelligence” and inserting
 22 “Director of National Intelligence”.

23 (B) PUBLIC LAW 107–306.—(i) Section
 24 313(a) of the Intelligence Authorization Act for
 25 Fiscal Year 2003 (Public Law 107–306) is

1 amended by striking “Director of Central Intel-
2 ligence, acting as the head of the intelligence
3 community,” and inserting “Director of Na-
4 tional Intelligence”.

5 (ii) Section 341 of that Act is amended by
6 striking “Director of Central Intelligence, act-
7 ing as the head of the intelligence community,
8 shall establish in the Central Intelligence Agen-
9 cy” and inserting “Director of National Intel-
10 ligence shall establish within the intelligence
11 community”.

12 (iii) Section 343 of that Act is amended—

13 (I) in subsection (a)(1), by striking
14 “Director of Central Intelligence, acting as
15 the head of the Intelligence Community,”
16 and inserting “Director of National Intel-
17 ligence”;

18 (II) in subsection (c), by striking
19 “section 103(c)(6) of the National Security
20 Act of 1947 (50 U.S.C. 403–3(c)(6))” and
21 inserting “section 103(b)(7) of the Na-
22 tional Security Act of 1947”; and

23 (III) in subsection (e)(2), by striking
24 “section 103(c)(6)” and inserting “section
25 103(b)(7)”.

1 (iv) Section 352(b) of that Act is amended
 2 by inserting “of National Intelligence” after
 3 “The Director”.

4 (v) That Act is further amended by strik-
 5 ing “Director of Central Intelligence” each
 6 place it appears in the following provisions and
 7 inserting “Director of National Intelligence”:

8 (I) Section 902(a)(2).

9 (II) Section 904(e)(4).

10 (III) Section 904(e)(5).

11 (IV) Section 904(h)(1).

12 (vi) That Act is further amended by strik-
 13 ing “Office of the Director of Central Intel-
 14 ligence” each place it appears in the following
 15 provisions and inserting “Office of the Director
 16 of National Intelligence”:

17 (I) Section 904(c).

18 (II) Section 904(l).

19 (vii) Section 904(m) of that Act is amend-
 20 ed by inserting “the Director of National Intel-
 21 ligence,” before “the Director of Central Intel-
 22 ligence”.

23 (9) USA PATRIOT ACT OF 2001.—The USA PA-
 24 TRIOT Act of 2001 (Public Law 107–56) is amend-
 25 ed by striking “Director of Central Intelligence” and

1 inserting “Director of National Intelligence” each
 2 place it appears in the following provisions:

3 (A) Section 203(d)(1) (50 U.S.C. 403–
 4 5d(d)(1)), as amended by section 897(a) of the
 5 Homeland Security Act of 2002 (Public Law
 6 107–296), both places it appears.

7 (B) Section 908(a) (115 Stat. 391).

8 (C) Section 1006(b) (115 Stat. 394).

9 (10) HOMELAND SECURITY ACT OF 2002.—The
 10 Homeland Security Act of 2002 (Public Law 107–
 11 296) is amended by striking “Director of Central In-
 12 telligence” and inserting “Director of National Intel-
 13 ligence” each place it appears in the following provi-
 14 sions:

15 (A) Section 201(d)(10).

16 (B) Section 201(d)(12)(B).

17 (C) Section 202(c).

18 (D) Section 202(d)(2).

19 (E) Section 601(c)(6).

20 (F) Section 601(e).

21 (G) Section 601(f).

22 (H) Section 892(b)(7).

23 (I) Section 1001(c)(1)(A).

24 (11) TITLE 18, UNITED STATES CODE.—(A)
 25 Section 2517(8) of title 18, United States Code, is

1 amended by striking “Director of Central Intel-
 2 ligence” and inserting “Director of National Intel-
 3 ligence”.

4 (B) Subsections (d)(7)(B)(iv) and (i)(5)(B)(iv)
 5 of such title are amended by striking “Director of
 6 Central Intelligence” and inserting “Director of Na-
 7 tional Intelligence, or the head of another element of
 8 the intelligence community”.

9 (12) TITLE 44, UNITED STATES CODE.—Section
 10 3535(g)(3) of title 44, United States Code, is
 11 amended by striking “Director of Central Intel-
 12 ligence” and inserting “Director of National Intel-
 13 ligence”.

14 (13) FEDERAL RULES OF CRIMINAL PROCE-
 15 DURE.—Paragraphs (2) and (3) of section 6(e) of
 16 the Federal Rules of Criminal Procedure are amend-
 17 ed by striking “Director of Central Intelligence” and
 18 inserting “Director of National Intelligence”.

19 **SEC. 3. PRIORITIES ON INTELLIGENCE AND**
 20 **COUNTERTERRORISM ACTIVITIES FOR THE**
 21 **INTELLIGENCE COMMUNITY.**

22 (a) IN GENERAL.—(1) Title I of the National Secu-
 23 rity Act of 1947 (50 U.S.C. 402 et seq.) is amended by
 24 inserting after section 101 the following new section:

1 “PRIORITIES ON INTELLIGENCE AND
2 COUNTERTERRORISM ACTIVITIES FOR THE INTEL-
3 LIGENCE COMMUNITY

4 “SEC. 101A. (a) PRIORITIES.—The President shall
5 take appropriate actions to ensure the following:

6 “(1) The establishment of priorities for the in-
7 telligence, intelligence-related, and counterterrorism
8 activities of the United States Government.

9 “(2) The discharge of the intelligence, intel-
10 ligence-related, and counterterrorism activities of the
11 United States Government by the elements of the in-
12 telligence community in accordance with the prior-
13 ities.

14 “(b) REVIEW AND UPDATE OF PRIORITIES.—(1) The
15 President shall ensure that the priorities established under
16 subsection (a)(1) are reviewed and updated on an annual
17 basis.

18 “(2) The purpose of the reviews and updates is to
19 ensure the most effective allocation of the personnel and
20 other resources of the intelligence community as threats
21 to the United States evolve.

22 “(c) ANNUAL REPORT.—Not later than the date each
23 year provided in section 507, the Director of National In-
24 telligence shall submit to the congressional intelligence
25 committees a report on the priorities for the intelligence,

1 intelligence-related, and counterterrorism activities of the
 2 United States Government in effect under this section, in-
 3 cluding a justification for such priorities.”.

4 (2) The table of contents for that Act is amended
 5 by inserting after the item relating to section 101 the fol-
 6 lowing new item:

“101A. Priorities on intelligence and counterterrorism activities for the intel-
 ligence community.”.

7 (b) SUBMITTAL OF ANNUAL REPORTS.—Section
 8 507(a)(1) of that Act (50 U.S.C. 415b(a)(1)) is amend-
 9 ed—

10 (1) by redesignating subparagraphs (A) through
 11 (N) as subparagraphs (B) through (O), respectively;
 12 and

13 (2) by inserting before subparagraph (B), as so
 14 redesignated, the following new subparagraph (A):

15 “(A) The annual report on priorities for the in-
 16 telligence and counterterrorism activities of the
 17 United States Government required by section
 18 101A.”.

19 **SEC. 4. COMPREHENSIVE STRATEGY ON COMBATTING TER-**
 20 **RORISM.**

21 (a) IN GENERAL.—Title I of the National Security
 22 Act of 1947 (50 U.S.C. 402 et seq.) is amended by insert-
 23 ing after section 108 the following new section:

1 “NATIONAL STRATEGY ON COMBATTING TERRORISM

2 “SEC. 108A. (a) IN GENERAL.—In addition to any
3 other duties under this Act, the National Security Council
4 shall prepare a comprehensive government-wide strategy
5 for combatting terrorism that fully utilizes the capabilities
6 and expertise of the foreign policy, economic, military, in-
7 telligence, and law enforcement elements of the United
8 States Government to address the threat of terrorism to
9 the United States, whether in the United States or abroad,
10 including the threat arising from the proliferation of weap-
11 ons of mass destruction.

12 “(b) CONSULTATION.—The strategy required by this
13 section shall be developed in consultation with the fol-
14 lowing:

15 “(1) The Director of National Intelligence.

16 “(2) The Secretary of Homeland Security.

17 “(3) The Secretary of State.

18 “(4) The Secretary of Defense.

19 “(5) Any other officer of the United States
20 Government that the National Security Council con-
21 siders appropriate.

22 “(c) INTELLIGENCE COMMUNITY ELEMENTS OF
23 STRATEGY.—(1) In preparing the elements of the strategy
24 required by this section that involve the intelligence com-
25 munity, the Director of National Intelligence shall develop

1 specific plans, including programs and the allocation of
2 appropriate resources therefor, for addressing the threat
3 of terrorism posed by Usama Bin Ladin, al Qaeda,
4 Hezbollah, Hamas, and other significant terrorists and
5 terrorist organizations.

6 “(2) The plans developed under paragraph (1) shall,
7 in a manner fully consistent with United States law, in-
8 clude the following:

9 “(A) The development of human resources to
10 penetrate terrorist organizations and networks in the
11 United States and abroad.

12 “(B) The utilization of current technologies,
13 and the development and enhancement of tech-
14 nologies, in order to—

15 “(i) intercept, analyze, and exploit the
16 communications of terrorists and terrorist orga-
17 nizations;

18 “(ii) conduct effective data-mining and
19 other forms of similar analysis; and

20 “(iii) facilitate the timely and effective
21 sharing of intelligence both within the intel-
22 ligence community and between the intelligence
23 community and other elements of the United
24 States Government and State and local govern-
25 ments.

1 “(C) The enhancement of domestic intelligence
2 collection and analysis, including the enhancement of
3 information technology in order to permit links be-
4 tween new information and previously-acquired in-
5 formation.

6 “(D) The maximization of the use of covert ac-
7 tions in counterterrorism efforts.

8 “(E) The development of means of identifying
9 and tracking financial support for terrorism.

10 “(F) The enhancement of the capabilities of the
11 paramilitary units of the Central Intelligence Agency
12 and the special operations forces of the Armed
13 Forces to conduct joint operations against terrorists
14 and terrorist organizations.

15 “(d) UPDATE.—The National Security Council shall
16 provide for the on-going update of the strategy required
17 by this section in order to take into account changes in
18 circumstances.

19 “(e) APPROVAL OF PRESIDENT.—The strategy re-
20 quired by this section, including any update of the strategy
21 under subsection (d), shall not take effect until approved
22 by the President.”.

23 “(f) REPORTS TO CONGRESS.—(1) The President
24 shall transmit to Congress the strategy required by this

1 section, including any update of the strategy under sub-
2 section (d).

3 “(2) Each transmittal under this subsection shall be
4 in both classified and unclassified form.”.

5 (b) CLERICAL AMENDMENTS.—The table of contents
6 for that Act is amended—

7 (1) by striking the following:

“Sec. 104. Annual national security strategy report.”; and

8 (2) by inserting after the item relating to sec-
9 tion 108 the following new item:

“Sec. 108A. National strategy on combatting terrorism.”.

10 **SEC. 5. INCLUSION OF NATIONAL INTELLIGENCE OFFICER**
11 **FOR TERRORISM ON NATIONAL INTEL-**
12 **LIGENCE COUNCIL.**

13 Section 102(f)(2) of the National Security Act of
14 1947, as amended by section 2(a)(1) of this Act, is further
15 amended—

16 (1) by redesignating subparagraph (B) as sub-
17 paragraph (C); and

18 (2) by inserting after subparagraph (A) the fol-
19 lowing new subparagraph (B):

20 “(B) One of the members of the Council shall be
21 known as the National Intelligence Officer on Terrorism.
22 In addition to any other responsibilities for the Council,
23 the National Intelligence Officer on Terrorism shall pre-
24 pare intelligence estimates on terrorism for the use of pol-

1 icymakers in the Executive branch, and in Congress, and
 2 to assist the intelligence community in developing strategic
 3 analyses and assessment of terrorism. The individual ap-
 4 pointed as the National Intelligence Officer on Terrorism
 5 shall be highly qualified in matters relating to the respon-
 6 sibilities of the position.”.

7 **SEC. 6. ENHANCEMENT OF COUNTERTERRORISM CAPA-**
 8 **BILITIES OF THE FEDERAL BUREAU OF IN-**
 9 **VESTIGATION.**

10 (a) ACTIONS REQUIRED.—The Director of the Fed-
 11 eral Bureau of Investigations shall, as soon as practicable
 12 after the date of the enactment of this Act, take appro-
 13 priations actions to enhance the counterterrorism capabili-
 14 ties of the Federal Bureau of Investigation, including the
 15 actions set forth under subsection (b).

16 (b) PARTICULAR ACTIONS.—The actions set forth in
 17 this subsection are actions to achieve the following:

18 (1) The strengthening of counterterrorism as a
 19 national program of the Federal Bureau of Inves-
 20 tigation through the clear designation of national
 21 priorities for counterterrorism and the enforcement
 22 of adherence by the field offices of the Bureau to
 23 such priorities.

24 (2) The establishment and maintenance of inde-
 25 pendent career tracks for personnel in the Federal

1 Bureau of Investigation to provide recognition and
2 incentives for analysts, agents, and other personnel
3 who demonstrate skill and achievement in
4 counterterrorism activities.

5 (3) The improvement of the strategic analytical
6 capabilities of the Federal Bureau of Investigation
7 on counterterrorism through the assurance of quali-
8 fications, training, and independence of analysts and
9 the provision of access of analysts to appropriate in-
10 formation and resources.

11 (4) The establishment and maintenance of an
12 effective reports officer cadre at the headquarters
13 and the field offices of the Federal Bureau of Inves-
14 tigation in order to facilitate the timely dissemina-
15 tion of intelligence from agents to analysts within
16 the Bureau and to analysts within other elements of
17 the intelligence community.

18 (5) The implementation of training for agents
19 of the Federal Bureau of Investigation in the effec-
20 tive use of analysts and their work.

21 (6) The expansion and maintenance of recruit-
22 ment of agents and analysts for the Federal Bureau
23 of Investigation with the linguistic skills necessary
24 for counterterrorism work.

1 (7) The enhancement of efforts of the Federal
2 Bureau of Investigation to penetrate terrorist orga-
3 nizations operating in the United States through all
4 available means of collection.

5 (8) The improvement of training for Federal
6 Bureau of Investigation personnel in the national se-
7 curity law of the United States.

8 (9) The implementation and maintenance of
9 mechanisms to maximize the exchange of informa-
10 tion relating to counterterrorism between and among
11 the Federal Bureau of Investigation, other depart-
12 ments and agencies of the Federal Government, and
13 State and local governments.

14 (10) The identification and remediation of per-
15 sistent inadequacies in the information technology of
16 the Federal Bureau of Investigation.

17 **SEC. 7. REFORM OF DOMESTIC INTELLIGENCE PROGRAMS**
18 **AND ACTIVITIES.**

19 (a) REPORT ON REFORM REQUIRED.—Not later than
20 180 days after the date of the enactment of this Act, the
21 Director of National Intelligence, the Attorney General,
22 and the Secretary of Homeland Security shall jointly sub-
23 mit to Congress a report on reforms in the conduct of the
24 domestic intelligence programs and activities of the United
25 States Government.

1 (b) ELEMENTS.—The report under subsection (a)
2 shall include the following:

3 (1) A description of the progress made by the
4 Federal Bureau of Investigation since September 11,
5 2001, in implementing reforms required for the ef-
6 fective conduct of domestic intelligence programs
7 and activities, including reforms to ensure an effec-
8 tive balance between the pursuit of counterterrorism
9 and the protection of civil liberties.

10 (2) An assessment of the experiences of other
11 democratic nations in conducting domestic intel-
12 ligence programs and activities, including the lessons
13 of such nations that may be applicable to the con-
14 duct of the domestic intelligence programs and ac-
15 tivities of the United States Government.

16 (3) An assessment of the advisability of estab-
17 lishing a new domestic intelligence service in the
18 United States Government in order to enhance the
19 conduct of the domestic intelligence programs and
20 activities of the United States Government, includ-
21 ing if the establishment of the service is determined
22 advisable—

23 (A) a plan for the service; and

24 (B) a description of the manner in which
25 the activities of the service under the plan will

1 provide an appropriate balance between the pro-
 2 tection of the national security and the protec-
 3 tion of civil liberties.

4 (4) Any recommendations that the officials
 5 jointly consider appropriate regarding the most ap-
 6 propriate means of providing a domestic intelligence
 7 capability in the United States, including a descrip-
 8 tion of any legislative or administrative actions nec-
 9 essary to implement the recommendations.

10 **SEC. 8. ENHANCEMENT OF UTILIZATION OF FOREIGN IN-**
 11 **TELLIGENCE SURVEILLANCE AUTHORITIES**
 12 **BY THE INTELLIGENCE COMMUNITY.**

13 (a) TRAINING IN AVAILABILITY AND UTILIZATION OF
 14 AUTHORITIES.—(1) The Attorney General shall, in con-
 15 sultation with the Director of the Federal Bureau of In-
 16 vestigation, provide detailed training to appropriate per-
 17 sonnel of the Federal Bureau of Investigation, and to ap-
 18 propriate personnel of other elements of the intelligence
 19 community, on the availability and utilization of the au-
 20 thorities provided by the Foreign Intelligence Surveillance
 21 Act of 1978 (50 U.S.C. 1801 et seq.) to address terrorist
 22 threats to the United States.

23 (2) The Attorney General shall provide the training
 24 required by paragraph (1) through the Office of Intel-
 25 ligence Policy and Review of the Department of Justice

1 and through such other elements of the Department as
2 the Attorney General considers appropriate.

3 (b) DISSEMINATION OF INFORMATION ACQUIRED BY
4 FOREIGN INTELLIGENCE SURVEILLANCE.—The Attorney
5 General and the Director of the Federal Bureau of Inves-
6 tigation shall jointly take appropriate actions to ensure
7 that the information acquired through electronic surveil-
8 lance, searches, and other activities under the Foreign In-
9 telligence Surveillance Act of 1978 is disseminated on a
10 timely basis to appropriate personnel within the Federal
11 Bureau of Investigation, and appropriate personnel in
12 other elements of the intelligence community, in order to
13 facilitate the use of such information for analysis and op-
14 erations to address terrorists threats to the United States.

15 (c) PLAN ON UTILIZATION OF FOREIGN INTEL-
16 LIGENCE SURVEILLANCE AUTHORITIES TO ASSESS
17 THREATS OF INTERNATIONAL TERRORIST GROUPS.—The
18 Attorney General and the Director of the Federal Bureau
19 of Investigation shall jointly develop a plan to utilize the
20 authorities under the Foreign Intelligence Surveillance Act
21 of 1978 to provide for the full assessment of the threats
22 posed to the United States by international terrorist
23 groups operating within the United States, including the
24 determination of the extent to which such groups are fund-
25 ed or otherwise supported by foreign governments.

1 **SEC. 9. PLAN ON ENHANCEMENT OF SIGNALS INTEL-**
2 **LIGENCE.**

3 (a) REPORT ON PLAN REQUIRED.—Not later than 90
4 days after the date of the enactment of this Act, the Direc-
5 tor of the National Security Agency shall submit to the
6 Director of National Intelligence and the Secretary of De-
7 fense, and to the congressional intelligence committees, a
8 report containing a plan for the enhancement of the sig-
9 nals intelligence program of the United States.

10 (b) ELEMENTS.—The plan under the report required
11 by subsection (a) shall include the following:

12 (1) A detailed description of potential solutions
13 for the technological challenges currently faced by
14 the signals intelligence program.

15 (2) Mechanisms for the quarterly review of each
16 technology development program for the signals in-
17 telligence program, including the quarterly review
18 for each such technology development program of—

19 (A) the objectives of such program;

20 (B) the products to be delivered through
21 such program;

22 (C) the funding required for such program;
23 and

24 (D) the schedules associated with such pro-
25 gram.

1 (3) A proposal for making the National Secu-
 2 rity Agency a full cooperating partner with the Cen-
 3 tral Intelligence Agency and the Federal Bureau of
 4 Investigation in the war on terrorism, including pro-
 5 posals for integrating the collection and analytic ca-
 6 pabilities for such agencies.

7 (4) Recommendations for such legislative or ad-
 8 ministrative action as may be necessary to imple-
 9 ment the plan.

10 (c) CONGRESSIONAL INTELLIGENCE COMMITTEES
 11 DEFINED.—In this section, the term “congressional intel-
 12 ligence committees” means—

13 (1) the Select Committee on Intelligence of the
 14 Senate; and

15 (2) the Permanent Select Committee on Intel-
 16 ligence of the House of Representatives.

17 **SEC. 10. PERSONNEL INITIATIVES FOR THE INTELLIGENCE**
 18 **COMMUNITY.**

19 The Director of National Intelligence shall take ap-
 20 propriate actions to require initiatives within the intel-
 21 ligence to improve and enhance the quality of the per-
 22 sonnel of the intelligence community, including initiatives
 23 as follows:

24 (1) Initiatives to enhance and improve the
 25 counterterrorism training for personnel of the intel-

1 ligence community, including expansion of such
2 training to improve and enhance—

3 (A) intelligence sharing between and
4 among intelligence personnel and law enforce-
5 ment personnel;

6 (B) language capabilities;

7 (C) the utilization of the authorities under
8 the Foreign Intelligence Surveillance Act of
9 1978 (50 U.S.C. 1801 et seq.); and

10 (D) watchlisting.

11 (2) Other initiatives to enhance and improve
12 the language capabilities of the intelligence commu-
13 nity, including—

14 (A) the establishment of a Civilian Lin-
15 guist Reserve Corps; and

16 (B) the identification and recruitment to
17 the intelligence community of individuals out-
18 side the intelligence community who possess
19 language capabilities useful to intelligence and
20 counterterrorism activities.

21 (3) Expansion of the current Intelligence Com-
22 munity Reserve Corps to include personnel outside
23 the intelligence community who possess expertise
24 useful to intelligence and counterterrorism activities.

1 (4) Initiatives to recruit and retain within the
 2 intelligence community a more ethnically and cul-
 3 turally diverse workforce, including initiatives to re-
 4 cruit and retain first-generation Americans, and to
 5 utilize the language capabilities of such individuals,
 6 while recognizing the counterintelligence challenges
 7 posed by including such individuals in the intel-
 8 ligence community workforce.

9 **SEC. 11. BUDGETING AND FUNDING OF INTELLIGENCE AND**
 10 **COUNTERTERRORISM ACTIVITIES.**

11 (a) BUDGET AMOUNTS FOR INTELLIGENCE ACTIVI-
 12 TIES.—(1) Subsection (a) of section 506 of the National
 13 Security Act of 1947 (50 U.S.C. 415a(a)) is amended by
 14 adding at the end the following new paragraph:

15 “(5) All other intelligence and intelligence-re-
 16 lated activities.”.

17 (2) The heading of that section is amended to read
 18 as follows:

19 “SPECIFICITY OF NATIONAL FOREIGN INTELLIGENCE
 20 PROGRAM BUDGET AMOUNTS”.

21 (b) COST-BENEFIT ANALYSES OF ALLOCATIONS OF
 22 RESOURCES FOR INTELLIGENCE.—(1) Not later than 90
 23 days after the date of the enactment of this Act, the Direc-
 24 tor of National Intelligence shall submit to the congres-
 25 sional intelligence committees a report on the feasibility
 26 and advisability of providing for the conduct, by an agency

1 or entity outside the intelligence community, of thorough
 2 and rigorous cost-benefit analyses of the allocations of re-
 3 sources for the intelligence and intelligence-related activi-
 4 ties of the United States Government.

5 (2) If the Director determines for purposes of the re-
 6 port under paragraph (1) that the conduct of cost-benefit
 7 analyses as described in that paragraph is feasible and ad-
 8 visable, the report under that paragraph shall include rec-
 9 ommendations on the agency or entity to conduct the cost-
 10 benefit analyses.

11 (3) In this subsection, the term “congressional intel-
 12 ligence communities” means—

13 (A) the Select Committee on Intelligence of the
 14 Senate; and

15 (B) the Permanent Select Committee on Intel-
 16 ligence of the House of Representatives.

17 (c) FLEXIBILITY IN EXPENDITURES FOR
 18 COUNTERTERRORISM ACTIVITIES.—Section 504 of the
 19 National Security Act of 1947 (50 U.S.C. 414) is amend-
 20 ed—

21 (1) by redesignating subsection (e) as sub-
 22 section (f); and

23 (2) by inserting after subsection (d) the fol-
 24 lowing new subsection (e):

1 “(e) Notwithstanding subsection (a)(3), appropriated
 2 funds available to an intelligence agency for a
 3 counterterrorism activity may be obligated and expended
 4 for a counterterrorism activity of a similar or higher pri-
 5 ority if the head of the intelligence agency—

6 “(1) determines that the availability of such
 7 funds for such counterterrorism activity is necessary
 8 to respond to altered or unanticipated needs; and

9 “(2) notifies the appropriate congressional com-
 10 mittees of the intent to such funds available for such
 11 counterterrorism activity.”.

12 (d) BUDGETING FOR COUNTERTERRORISM ACTIVI-
 13 TIES.—Title V of the National Security Act of 1947 (50
 14 U.S.C. 413 et seq.) is amended by inserting after section
 15 506 the following new section:

16 “BUDGETING AND FUNDING OF COUNTERTERRORISM
 17 ACTIVITIES

18 “SEC. 506A. (a) BUDGETING.—In requesting funds
 19 for counterterrorism activities under the National Foreign
 20 Intelligence Program for a fiscal year, the President shall
 21 take into account the requirements and priorities on
 22 counterterrorism for that fiscal year as specified in the
 23 national strategy on combatting terrorism.

24 “(b) FUNDING.—In allocating funds for
 25 counterterrorism activities under the National Foreign In-
 26 telligence Program for a fiscal year, the Director of Na-

1 tional Intelligence shall take into account the requirements
 2 and priorities on counterterrorism for that fiscal year as
 3 specified in the national strategy on combatting terrorism.

4 “(c) PRACTICES AND PROCEDURES.—The Director
 5 shall take appropriate actions to ensure that the budgeting
 6 and funding practices and procedures of the intelligence
 7 community take into account the requirements and prior-
 8 ities on counterterrorism as specified in the national strat-
 9 egy on combatting terrorism.

10 “(d) NATIONAL STRATEGY ON COMBATTING TER-
 11 RORISM DEFINED.—In this section, the term ‘national
 12 strategy on combatting terrorism’ means the most current
 13 national strategy on combatting terrorism under section
 14 108A.”.

15 (e) CLERICAL AMENDMENT.—The table of contents
 16 for that Act is amended by striking the item relating to
 17 section 506 and inserting the following new items:

“506. Specificity of National Foreign Intelligence Program budget amounts.
 “506A. Budgeting and funding of counterterrorism activities.”.

18 **SEC. 12. REPORT ON REVISIONS TO BILATERAL AND MUL-**
 19 **TILATERAL AGREEMENTS TO STRENGTHEN**
 20 **COUNTERTERRORISM EFFORTS.**

21 Not later than 90 days after the date of the enact-
 22 ment of this Act, the Secretary of State shall, in consulta-
 23 tion with the Attorney General, submit to the President
 24 and Congress a report on the extent to which United

1 States counterterrorism efforts could be strengthened by
 2 revising extradition and mutual assistance treaties and
 3 other bilateral and multilateral agreements, including by
 4 revising such agreements to include as extraditable of-
 5 fenses visa and immigration fraud and other offenses the
 6 enforcement of which is critical to efforts to combat and
 7 prevent terrorism.

8 **SEC. 13. STUDY AND RECOMMENDATIONS ON IMPROVE-**
 9 **MENT OF CONGRESSIONAL OVERSIGHT OF**
 10 **THE INTELLIGENCE COMMUNITY.**

11 (a) STUDY BY NATIONAL COMMISSION ON TER-
 12 RORIST ATTACKS UPON THE UNITED STATES.—Section
 13 604 of the Intelligence Authorization Act for Fiscal Year
 14 2003 (Public Law 107–306; 116 Stat. 2409; 6 U.S.C. 101
 15 note) is amended—

16 (1) in subsection (b), by inserting “under sub-
 17 section (a)” after “the intelligence community”; and

18 (2) by adding at the end the following new sub-
 19 section:

20 “(c) STUDY ON IMPROVEMENT OF CONGRESSIONAL
 21 OVERSIGHT OF INTELLIGENCE COMMUNITY.—(1) In ad-
 22 dition to the other functions of the Commission under this
 23 section, the Commission shall conduct a study of means
 24 by which Congress may improve its oversight of the intel-
 25 ligence community and its activities.

1 “(2) In conducting the study, the Commission shall
2 consider the following:

3 “(A) The advisability of modifications in the
4 budget process for funding the intelligence commu-
5 nity in order to improve that process.

6 “(B) The advisability of modifications in the
7 rules regarding membership on the Select Committee
8 on Intelligence of the Senate and the Permanent Se-
9 lect Committee on Intelligence of the House of Rep-
10 resentatives in order to improve the oversight of the
11 intelligence community by such committees.

12 “(C) Whether or not the oversight responsibility
13 of Congress for the intelligence community should be
14 vested in a joint committee of the Senate and House
15 of Representatives rather than a separate committee
16 in each house of Congress.

17 “(D) Whether or not decisions of the intel-
18 ligence community on the classification of informa-
19 tion impede the discharge of the oversight responsi-
20 bility of Congress for the intelligence community,
21 and, if so, the advisability of modifications to the
22 procedures on the classification of information in
23 order to eliminate or reduce such impediments.

24 “(E) Mechanisms by which Congress may dis-
25 charge the oversight responsibility of Congress for

1 the intelligence community in a manner which facili-
2 tates the adaptations of the intelligence community
3 to changes in circumstances, including changes in
4 intelligence priorities, and to changes in the require-
5 ments of policymakers.

6 “(F) Any other matters on the oversight re-
7 sponsibility of Congress for the intelligence commu-
8 nity that the Commission considers appropriate.

9 “(3) In this subsection, the term ‘intelligence commu-
10 nity’ has the meaning given that term in section 3(4) of
11 the National Security Act of 1947 (50 U.S.C.
12 401(a)(4)).”.

13 (b) REPORT AND RECOMMENDATIONS.—Section
14 610(b) of that Act is amended—

15 (1) by inserting “(1)” before “Not later than”;

16 and

17 (2) by adding at the end the following para-
18 graph:

19 “(2) The final report shall also include the findings
20 of the Commission as a result of the study under section
21 604(c) and any recommendations that the Commission
22 considers appropriate in light of such findings.”.

1 **SEC. 14. TREATMENT AND CLASSIFICATION OF INTEL-**
2 **LIGENCE INFORMATION.**

3 (a) REVIEW OF TREATMENT OF INTELLIGENCE IN-
4 FORMATION.—The President shall review the policies and
5 procedures that govern the classification and availability
6 of intelligence information (including Executive Orders on
7 such matters) in order to determine the advisability of
8 modifying or reforming such policies and procedures to—

9 (1) expand access to relevant intelligence infor-
10 mation, including making such information available,
11 as appropriate, to—

12 (A) Federal agencies outside the intel-
13 ligence community;

14 (B) State and local authorities, which are
15 instrumental in the fight against terrorism; and

16 (C) the American public; and

17 (2) ensure that policies and procedures de-
18 signed to protect against the unauthorized disclosure
19 of classified intelligence information are well under-
20 stood, fully implemented, and vigorously enforced.

21 (b) REPORT ON DESIGNATION OF INTELLIGENCE IN-
22 FORMATION.—Not later than 180 days after the date of
23 the enactment of this Act, the Director of National Intel-
24 ligence shall, in consultation with the Secretary of De-
25 fense, the Secretary of State, the Secretary of Homeland
26 Security, and the Attorney General, submit to congres-

1 sional intelligence committees a report that includes pro-
 2 posals for—

3 (1) reforming the processes and structures that
 4 govern the designation of sensitive and classified in-
 5 telligence information; and

6 (2) protecting such processes from misuse and
 7 abuse.

8 (c) CONGRESSIONAL INTELLIGENCE COMMITTEES
 9 DEFINED.—In this section, the term “congressional intel-
 10 ligence committees” means—

11 (1) the Select Committee on Intelligence of the
 12 Senate; and

13 (2) the Permanent Select Committee on Intel-
 14 ligence of the House of Representatives.

15 **SEC. 15. ENHANCEMENT OF ACCOUNTABILITY OF THE IN-**
 16 **TELLIGENCE COMMUNITY FOR THE PER-**
 17 **FORMANCE OF INTELLIGENCE ACTIVITIES.**

18 (a) IN GENERAL.—The Director of National Intel-
 19 ligence and the heads of the other elements of the intel-
 20 ligence community shall separately and jointly take appro-
 21 priate actions to ensure the implementation throughout
 22 the intelligence community of mechanisms to provide, pro-
 23 mote, and enhance the accountability of the elements of
 24 the intelligence community for the performance of the in-

1 telligence and intelligence-related activities of the Federal
2 Government.

3 (b) PARTICULAR MECHANISMS.—The mechanisms to
4 be implemented under subsection (a) shall include the fol-
5 lowing:

6 (1) Mechanisms to identify poor performance
7 and to affix responsibility for such performance.

8 (2) Mechanisms to identify outstanding per-
9 formance and to recognize and reward such perform-
10 ance.

11 (c) REPORT ON MECHANISMS.—Not later than 180
12 days after the date of the enactment of this Act, the Direc-
13 tor of National Intelligence shall submit to the congres-
14 sional intelligence committees a report on the mechanisms
15 implemented, and proposed to be implemented, under sub-
16 section (a), including the actions taken, and proposed to
17 be taken, to implement such mechanisms throughout the
18 intelligence community.

19 (d) RESPONSE TO REVIEWS OF INTELLIGENCE AC-
20 TIVITIES RELATING TO SEPTEMBER, 11, 2001, TER-
21 RORIST ATTACKS.—(1) The Inspector General of each
22 covered agency shall—

23 (A) review the findings and records of—

24 (i) the Joint Inquiry of the Select Com-
25 mittee on Intelligence of the Senate and the

1 Permanent Select Committee on Intelligence of
2 the House of Representatives regarding the ter-
3 rorist attacks of September 11, 2001; and

4 (ii) the National Commission on Terrorist
5 Attacks Upon the United States established by
6 section 601 of the Intelligence Authorization
7 Act for Fiscal Year 2003 (Public Law 107–306;
8 116 Stat. 2408; 6 U.S.C. 101 note); and

9 (B) conduct such supplemental investigations as
10 such Inspector General considers appropriate in
11 light of such findings and records in order to deter-
12 mine the following:

13 (i) Whether, and to what extent, particular
14 personnel of such covered agency should be held
15 accountable (whether by disciplinary action,
16 promotion, recognition, or other reward, or
17 other action) for an action, omission, or failure
18 of duty with respect to the terrorist attacks of
19 September 11, 2001.

20 (ii) Whether, and to what extent, par-
21 ticular personnel of such covered agency have
22 been, or should be, held accountable for such
23 action, omission, or failure of duty.

24 (2) The Inspector General of each covered agency
25 shall submit to the head of such covered agency a report

1 on the activities undertaken by such Inspector General
2 under paragraph (1). Each report shall include rec-
3 ommendations for such personnel actions, including dis-
4 ciplinary actions, promotions, recognitions, or other re-
5 wards, or other personnel actions, as such Inspector Gen-
6 eral considers appropriate.

7 (3) The head of each covered agency shall take such
8 personnel actions with respect to the personnel of such
9 covered agency as the head of such covered agency con-
10 siderers appropriate in light of the report on such covered
11 agency under paragraph (2).

12 (4) The head of each covered agency shall submit to
13 the President and the congressional intelligence commit-
14 tees a report on the personnel actions taken under para-
15 graph (3), including a justification for such personnel ac-
16 tions.

17 (e) DEFINITIONS.—In this section:

18 (1) The term “congressional intelligence com-
19 mittees” means—

20 (A) the Select Committee on Intelligence of
21 the Senate; and

22 (B) the Permanent Select Committee on
23 Intelligence of the House of Representatives.

24 (2) The term “covered agency” means the fol-
25 lowing:

1 (A) The Department of Defense.

2 (B) The Department of Justice.

3 (C) The Department of State.

4 (D) The Central Intelligence Agency.

5 **SEC. 16. ELIMINATION OR REDUCTION IN BARRIERS TO**
6 **COLLECTION AND SHARING OF INTEL-**
7 **LIGENCE FOR COUNTERTERRORISM PUR-**
8 **POSES.**

9 (a) REPORT REQUIRED.—Not later than 180 days
10 after the date of the enactment of this Act, the Director
11 of National Intelligence shall submit to the congressional
12 intelligence committees a report that—

13 (1) describes current barriers to the collection
14 and sharing of intelligence by and within the ele-
15 ments of the intelligence community for
16 counterterrorism purposes;

17 (2) describes recent efforts within the intel-
18 ligence community to eliminate or reduce such bar-
19 riers; and

20 (3) sets forth such recommendations as the Di-
21 rector considers appropriate for additional actions to
22 eliminate or reduce such barriers, including rec-
23 ommendations for legislative or administrative ac-
24 tion.

1 (b) BARRIERS ARISING FROM PERCEPTIONS OF LAW
 2 AND POLICY.—In considering current barriers to the col-
 3 lection and sharing of intelligence for purposes of sub-
 4 section (a), the Director shall take into account barriers
 5 that arise from inaccurate perceptions among the per-
 6 sonnel of the intelligence community of the restrictions on
 7 the collection and sharing of intelligence under law, Exec-
 8 utive orders, and applicable guidelines.

9 (c) CONGRESSIONAL INTELLIGENCE COMMITTEES
 10 DEFINED.—In this section, the term “congressional intel-
 11 ligence committees” means—

12 (1) the Select Committee on Intelligence of the
 13 Senate; and

14 (2) the Permanent Select Committee on Intel-
 15 ligence of the House of Representatives.

16 **SEC. 17. NATIONAL TERRORIST WATCHLIST CENTER.**

17 (a) ESTABLISHMENT.—The Director of National In-
 18 telligence shall establish the National Terrorist Watchlist
 19 Center.

20 (b) RESPONSIBILITIES.—The responsibilities of the
 21 Center shall be as follows:

22 (1) To coordinate and integrate all terrorist
 23 watchlist systems.

24 (2) To ensure the timely and efficient assembly
 25 and dispersal to terrorist watchlist systems of indi-

viduals and groups identified for inclusion in terrorist watchlist systems.

(3) To promote awareness and use of the Center by appropriate elements of the Federal Government, State and local governments, and the private sector.

(c) RESOURCES.—The Director shall provide the Center with such personnel and other resources as are required for the discharge of the responsibilities of the Center under subsection (b).

SEC. 18. ENHANCEMENT OF EFFORTS TO IDENTIFY SUPPORT OR INVOLVEMENT OF FOREIGN GOVERNMENTS IN TERRORIST ACTIVITIES.

(a) IN GENERAL.—The Director of National Intelligence shall, in consultation with the Director of Central Intelligence and the Director of the Federal Bureau of Investigation, take appropriate actions to enhance the efforts of the intelligence community to identify the support or involvement of foreign governments in terrorist activities, including the analysis of the activities of foreign governments on a nation-by-nation basis rather than on a geographical or case-by-case basis.

(b) CONSIDERATION OF RESULTS OF JOINT INQUIRY.—In taking actions under subsection (a), the Director of National Intelligence shall take into account appli-

1 cable findings of the Joint Inquiry of the Select Committee
2 on Intelligence of the Senate and the Permanent Select
3 Committee on Intelligence of the House of Representatives
4 regarding the terrorist attacks of September 11, 2001.

5 (c) INFORMATION ON ACTIONS.—The Director of Na-
6 tional Intelligence shall keep the congressional intelligence
7 committees fully informed of the actions taken under sub-
8 section (a), including the results of such actions.

9 (d) CONGRESSIONAL INTELLIGENCE COMMITTEES
10 DEFINED.—In this section, the term “congressional intel-
11 ligence committees” means—

12 (1) the Select Committee on Intelligence of the
13 Senate; and

14 (2) the Permanent Select Committee on Intel-
15 ligence of the House of Representatives.

○